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FOR YOUR INFORMATION

2001: A SUN VALLEY ODYSSEY LMI FORUM

Can you think of a better place to learn about labor market information (LMI) than beautiful Sun Valley, Idaho? Nearly 130 people from around the county did just that when Idaho hosted the 2001 LMI Forum in early October. This annual gathering gives frontline LMI professionals the opportunity to discuss the latest trends in labor market analysis, and learn about innovations in the field of workforce development statistics.

Odyssey into the Business Landscape of the Future

John Varadallas, an international business consultant, jumpstarted the LMI Forum with his keynote address on workforce trends in the 21st century. During the next decade the American workplace will be transformed by changes in business, technology, and human resources, and the tragedy of September 11th will have a profound effect. "Because of September 11, all bets are off. LMI will provide a tremendous opportunity to help keep people working and workers aware of changes caused by new lifestyles because of terrorism. People will be looking for direction." The future workplace will see increased diversity of workers with more women, minorities, migrant, and mature workers. With automated systems at every turn, people also will be looking for increased personal contact. "The consumer will be king, and more high tech will require more touch." Job changing will be more fluid, transferable skills more important and valuable. John's advice was to "stay consumer-driven; stay focused on the consumer not on processes. Always ask yourself the question, 'who's hiring and who's looking?' "

Workshops and Discussion Groups

Though some of the ideas, tools, and data discussed are new and not yet available in Idaho, we wanted to provide you with an overview of the topics covered to keep you informed of trends and changes in the area of labor market information. The following synopses of several seminar sessions were submitted by the Regional Labor Economists.

Data Gaps

An overview of the Workforce Information Council (WIC) was presented in the general session, "WIC Update." Made up of elected officials and members of various agencies, including the U.S. Department of Labor, WIC was created to serve national, state, and local workforce information needs under the Workforce Investment Act (WIA). Three action steps have been outlined: strengthen customer feedback for continuous improvement; fill critical data gaps; and improve workforce information delivery and analysis.

Where are the gaps between the data we currently provide and the data our customers need? A session on workforce information for Workforce Information Boards (WIBs), first touched upon how to determine the information needs of the boards. Techniques were covered for packaging services and products, and getting them to the right people in a timely manner, along with some marketing tips.

Information about skills is an important aspect of labor force information. The possibility of national standards to ensure all students receive basic skills (reading, writing, and arithmetic) was discussed, along with the possibility of helping junior and senior high school students learn important job skills. To accomplish these goals, the support of educational agencies would be necessary. Skills assessments should be able to go from general to detailed skills, offered in an intuitive and flexible format. Information about transferable skills, and the industries where workers share skills, needs to be gathered.

Surveys

Methods of surveying, costs involved, and questionnaire development were presented in the session "Survey Questionnaire Design." Mail and phone surveys were discussed in detail, and a breakdown of the timeline and costs involved were provided.

Surveys addressing three specific topics—job vacancies, employee benefits, and labor availability studies—were covered in separate workshops. Colorado used information gathered in a job vacancy survey to create an occupational list with only a 1.5-month turnaround time. Information on that survey is available on the Internet at http://lmi.cdle.state.co.us/wra/home.htm. Delaware and Nebraska have conducted benefit surveys, and presented their results and lessons learned in one workshop. Direct comparisons between states isn't possible because of the differences in sample sizes and sample selection techniques, as well as different questions asked, survey formats, and response options. A consortium is being developed to address these issues and to develop a national benefits survey. Labor availability studies can provide information to economic developers about both employed and unemployed workers and their skills. North Dakota designs such surveys and does the initial research, arranges for a university research center to conduct telephone surveys, and then analyzes and publishes the results.

A fourth type of survey, a customer satisfaction

measurement system conducted in Florida, was the subject of another workshop. Phone results were higher than mail results, but both surveys were expensive. The presenter suggested that input on questionnaire design be actively sought, and that complete and accurate address information be obtained. The American Customer Satisfaction Index also was discussed. That index standardizes customer satisfaction scores with private businesses, enabling a public entity to compare its customer satisfaction scores to those of private businesses of similar size.

Tools and Analysis

A number of workshops offered information on tools and methods of analysis that can provide new insights into the labor market. The Longitudinal Employer-Household Dynamics (LEHD) program was discussed in a session on filling data gaps. This program's goal is to merge the data and expertise of the Census Bureau with that of each state to provide greater efficiency and improve the accuracy of data. Uses of the resulting data and plans for future efforts also were discussed.

The Estimate Delivery System (EDS) simplifies the process of estimating occupational employment and wages in local areas using data from the Occupational Employment Statistics (OES) program. This system is flexible and can be customized, allowing estimates to be created for local areas at different levels of industry detail in various formats, including HTML.

The Projection Suite, created by America's Labor Market Information System (ALMIS), is a model that combines long-term and short-term industry projection and micro-matrix occupational projection development. The suite uses a common database and On-Line Analytical Processing (OLAP). It offers advanced, integrated features and enhanced training and user guides.

Data cubes also use OLAP technology to aid users in understanding business information, providing direct access to stored data in a consolidated "data warehouse," structured for fast retrieval. Idaho is in the early stages of using this technology to analyze ES-202 data.

America's Career Toolkit is a set of five online tools to provide extensive labor market information. These five tools are: America's Job Bank, an enormous database of job openings (www.ajb.org); America's Talent Bank, an online resume bank (www.ajb.org/html/atb_home.html); America's Learning Exchange, information on available job training programs (www.alx.org); America's Career InfoNet, a subset of tools designed for both workers and employers (www.acinet.org/acinet/); and America's Service Locator, listing workforce development services in communities (www.servicelocator.org).

America's Job Bank also was the topic of another workshop. This large, continually changing database has a wealth of information that can be mined to increase our understanding of the labor market and occupational trends, and to provide insights into the U.S. economy. The Utah Department of Workforce Services is working to provide daily, and perhaps even hourly or real-time data mined from the database. Other contractors are working to improve the integrity of the data and to discover more about job titles and skills, especially for emerging occupations.

Econometric models used to analyze the economic impact of natural disasters were discussed, and the same models can also be used to assess the impacts of economic development or business closures.

A session on industry targeting and clustering in Missouri focused on how to select target industries that will have the most positive effect on the area, building on existing strengths. Each business is connected to both supplying and receiving industries, and can have a positive impact on several industries at once. Specialization ratios help identify basic (export) and non-basic (local) industries. The degree to which a region specializes in an industry can then be evaluated in relation to the nation. Shift-share analysis could be used to determine employment growth in a region over a specified time period. Employment growth can then be broken into three parts: national share, industrial mix, and regional shift. Missouri has used three ways of clustering industries based on the interdependence between an industry's suppliers and consumers. The three types of clusters used are: Labor Force Clusters using industry employment and wage data, Knowledge Clusters based on knowledge or skills requirements, and Value-Chain Clusters involving information about suppliers and consumers.

In Wyoming, agencies are cooperating to gather demographic data and to analyze wage records to better understand their labor force. That research is available on the Internet at http://lmi.state.wy.us/Wage-Records/title.htm. A representative of the Census Bureau also discussed how that agency is working to improve data collection and incorporating research to help states meet their information needs.

The ES-202 program collects information on employment and wage data that is a major input for personal income and gross domestic product (GDP) figures. The program also can provide employer lists, distribution of employers by size and/or industry, and information about growing or declining industries. Geo-coded maps derived from ES-202 can show businesses impacted by natural or unnatural disasters, and it can be used to indicate to employers where competitors or related businesses are located. The development of a longitudinal

database will provide time series data for individual employers, allowing research about business survival rates.

Marketing

Though there is a lot of available labor market information, many potential customers may not know about it or be aware of how they could use the information. Marketing this information was discussed in several workshops.

The session, "*Cold Feet to Hot Products: Making a Commitment to Our Customers*," offered ideas to let all customers know about available LMI products and services. The message from this session was that marketing is not a one-time event, it happens all the time, even when you may not realize it is happening. But it takes training and practice to market well, and a commitment to the process is fundamental. You also have to know your audience, deliver your message, stay current, and maintain your identity.

The marketing message was continued in the session, "*Marketing: Essentials for Every LMI Shop.*" Customers want products and services on their terms; if you don't provide what they want, someone else will—using your information. A survey of Illinois businesses revealed three important data needs: wages, job descriptions, and short-term and long-term industry projections. It is vital to understand what your customers want before you can meet their needs.

A three-hour workshop, "*Marketing Labor Market Information: Almost Everything You Need to Know*," emphasized the need for change. Marketing essentials include: developing strategies; conducting research; making a plan; implementing the plan; and then evaluating the plan. Tips about methods that work, and others that don't, were provided, with examples geared to labor market information jobs and data.

An LMI workshop utilizing a CD-ROM program was developed in California to train people on the topic of labor market information. Even when time and other resources are limited, the benefits of training are worth the effort. Technology can ease the way, allowing large numbers of people to be trained quickly. Montana is utilizing videos, computers, and music in their LMI training sessions. A guide was presented to organize training sessions into modules, targeting the individualized needs of each client and region at the grassroots level.

Updates

Several changes are taking place that directly affect labor market information. The updates on these changes provided during the LMI Forum are summarized below.

NAICS (National American Industry Classification System)

Florida's Code Conversion Project that converts to SOC and NAICS was discussed. Florida has created workgroups made up of the Executive Office of the Governor, Agency for Workforce Innovations, Department of Education, community colleges, Department of Labor and Employment Security, Department of Insurance, local WIBS, and others. Their work can be found at http://www.labormarketinfo.com. Backcasting NAICS data to build a historical time series also was addressed.

Census 2000 and the American Community Survey

The session covered the methodology of the new American Community Survey and scheduled release dates. Presenters offered insights on the new survey and the wide range of people who will utilize the data. Data collected from the survey will be used to improve local unemployment estimates, publish profiles of American communities and special population groups, build summary tabulations similar to the census, down to the block level, and to allocate billions of federal dollars.

Policy Councils

The Workforce Information Council (WIC) establishes and oversees workgroups composed of state and federal representatives to participate on policy councils that affect labor market information needs. Currently, there are four ongoing policy councils working to improve the quality and efficiency of LMI data: Occupational Employment Statistics (OES), ES-202, Local Area Unemployment Statistics (LAUS), and Current Employment Statistics (CES). Each policy council has a handful of representatives from the Bureau of Labor Statistics (BLS) and many state members spanning the United States.